

GREGORY S. BELL Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

March 14, 2011

Michael Terry Anasazi Gold Reserves, Inc. c/o Jay Gatten North American Exploration 447 North 300 West STE 3 Kaysville, Utah 84037-4203

Subject: <u>Denial of Transfer of Notice of Intention (Form MR-TRS)</u>, <u>Anasazi Gold Reserves</u>, <u>Inc.</u>, <u>Highland Mist Mine</u>, S/021/0035, <u>Iron County</u>, Utah

Dear Mr. Terry:

The Application for Transfer of Notice of Intention for the Highland Mist mine from Anasazi Gold Reserves, Inc. to AGR Minerals, LLC, received by the Division on November 16, 2010, is hereby *denied*. The Division is taking this action for the following reasons:

- On October 19, 2010, you submitted a Notice of Intent to Commence Large Mining Operations.
 This Notice includes the five-acre small mining area as part of the current disturbed area. The
 transfer as submitted is only for the small mining operation. The Division cannot have
 overlapping permit areas.
- 2. The transferee has not provided a replacement surety or a reclamation contract.

If you would like to discuss this matter further or appeal this decision please contact me at (801) 538-5261 or Lynn Kunzler at (801) 538-5310.

Sincerely,

Paul Baker

Minerals Program Manager

PBB:lk:eb

cc: Jed Robinson, AGR Minerals, LLC P:\GROUPS\MINERALS\WP\M021-Iron\S0210035-HighlandMist\final\deny-3862-03102011.doc

